



PUTNAM COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

AGREED UPON PROCEDURES

**FOR THE COST REPORTING PERIOD
JANUARY 1, 2009 THROUGH DECEMBER 31, 2009
AND
JANUARY 1, 2010 THROUGH DECEMBER 31, 2010**



Dave Yost • Auditor of State

PUTNAM COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

TABLE OF CONTENTS

Title	Page
Independent Accountants' Report	1
Recommendation: Documentation of Enclave Services and Statistics	3
Recommendation: Proper Classification between TCM and Other SSA Allowable Units	5
Paid Claims - Recoverable Findings – 2010	8
Appendix A: Income and Expenditure Report Adjustments – 2009	13
Appendix B: Income and Expenditure Report Adjustments – 2010	15

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

Independent Accountant's Report on Applying Agreed-Upon Procedures

Halina Schroeder, Audit Chief
Ohio Department of Developmental Disabilities, Office of Audits
30 E. Broad Street, 13th Floor
Columbus, Ohio 43215

Dear Ms. Schroeder:

As permitted by Ohio Rev. Code § 5123.05 and as required by the *Application for a § 1915(c) HCBS Waiver*, Appendix I-2(c), the Auditor of State's Office performed the procedures enumerated below, to which the Ohio Department of Developmental Disabilities (DODD) agreed. The purpose is to assist you in evaluating whether the Putnam County Board of Developmental Disabilities (County Board) prepared its *Income and Expenditure Report* for the years ended December 31, 2009 and 2010 (Cost Reports) in accordance with DODD's Guide to Preparing Income and Expenditure Reports for 2009 and 2010 (Cost Report Guides) and to assist you in evaluating whether reported receipts and disbursements complied with 2 CFR 225 (OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*), and other compliance requirements described in the procedures below. The County Board's management is responsible for preparing these reports. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of DODD. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Statistics – Square Footage

1. DODD requested us to tour the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle space and, if final 2008 square footage totals are the same and no significant changes in the floor plan have occurred, to perform no additional procedures.

We toured the facilities to identify how space was used by County Board programs and to identify new, closed or empty buildings along with rented or idle floor space. We found no unreported or idle floor space. We also compared 2009 and 2010 square footage totals to final 2008 square footage totals and discussed square footage changes with the County Board and noted significant changes have occurred.

2. DODD requested us to report variances if the County Board's square footage for three rooms varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage* of the Cost Reports.

We measured three rooms and compared the square footage to the County Board's square footage summary.

We found no square footage variances for the rooms that were measured exceeding 10 percent.

3. DODD requested us to report variances if the County Board's square footage for one floor plan varied by more than 10 percent of the square footage reported in the summary which rolls up to *Schedule B-1, Section A, Square Footage* of the Cost Reports.

We compared two buildings and traced each room on the floor plan to the County Board's summary for each year. We found variances exceeding 10 percent when comparing the total square footage of the two floor plans to the County Board's summary as reported in Appendix A (2009) and Appendix B (2010).

4. DODD requested us to report variances if the County Board's square footage summary varied by more than 10 percent when comparing the County Board's summary to the Cost Report for any cell within *Schedule B-1, Section A, Square Footage* worksheet.

We compared the County Board's square footage summary to the square footage reported for each cell in *Schedule B-1, Section A, Square Footage* of the Cost Reports.

We found variances exceeding 10 percent and we reported these variances in Appendix A (2009) and Appendix B (2010).

5. DODD asked us to obtain the County Board's methodology for allocating square footage between programs and review the methodology to ensure that square footage for areas shared by more than one type of service are allocated by program based on reported usage of the area in accordance with the Cost Report Guides.

We found the County Board did not originally have a methodology for allocating square footage between programs as required by the Cost Report Guide. However, we obtained a proposed methodology from the County Board for allocating rooms shared by more than one type of service and reviewed supporting documentation.

We reported these differences in Appendix A (2009) and Appendix B (2010).

Statistics – Attendance

1. We reviewed the Cost Reports to determine if individuals served or units of service were omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which result in unassigned program or general expenses-all program costs.

We determined that there were no individuals served or units of service omitted on *Schedule B-1, Section B, Attendance Statistics*, worksheet 4, or worksheets 7A to 7H which result in unassigned program or general expenses-all program costs.

2. DODD asked us to compare the County Board's final 2008 typical hours of service reported on *Schedule B-1, Section B, Attendance Statistics* to the typical hours of service reported on Schedule B-1 for 2009 and 2010 and, if the hours are the same, to do no additional procedures.

We compared the final 2008 typical hours of service to the typical hours of service reported on Schedule B-1 for 2009 and 2010.

We found the reported typical hours of service changed in 2010 from 2009. The County Board could not provide supporting documentation for the 2010 enclave program (see Procedure 3 below) and typical hours of service reported on Schedule B-1 for 2010. We removed enclave typical hours of service in Appendix B (2010).

3. DODD requested us to report variances if the County Board's attendance statistics were not within two percent of the attendance statistics reported.

We compared the County Board's Putnam DD Attendance by Month All Clients (By Age Group) for the number of individuals served, days of attendance, with similar information reported for Day Habilitation/Adult Day Services/Vocational Habilitation and Enclave, on *Schedule B-1, Section B, Attendance Statistics* of the Cost Reports and determined if the statistics were reported in accordance with the Cost Report Guides. We also footed the County Board's reports on Attendance Statistics for accuracy.

We found variances exceeding two percent for Day Habilitation/Adult Day Services/Vocational Habilitation and reported these variances in Appendix A (2009) and Appendix B (2010).

The County Board was able to provide Enclave Employee Productivity History reports listing the individuals served for Supported Employment–Enclave; however, they stated that documentation sheets supporting Enclave services were not maintained for 2009 and 2010. Therefore, without supporting documentation that a service took place neither individuals served, nor attendance days reported for Enclave program on *Schedule B-1, Section B, Attendance Statistics* in 2010, could be supported as required under 2 CFR Part 225, Appendix A, Sections (C)(1)(j) and were removed.

Furthermore, any corresponding costs reported on *Worksheet 10, Adult Program* in 2009 and 2010 lacked supporting documentation to show they benefitted the County Board's program and are unallowable under 2 CFR Part 225, Appendix A, Section (C)(3)(a). However, since the County Board allocated all costs as facility based services in 2009 and 2010 we calculated unallowable Enclave costs using days of attendance calculated from the County Board's Enclave Employee Productivity History Reports and divided total estimated Enclave days of attendance by Facility Based Service days of attendance on *Schedule B-1, Section B, Attendance Statistics*.

We found differences as reported in Appendix A (2009) and Appendix B (2010).

Recommendation: We recommend the County Board maintain the required documentation for services as required by the Cost Report Guide in section *Schedule B-1, Allocation Statistics* which states in pertinent part, "This schedule requires statistical information specific to the Adult and Children's Programs" and the *Audit and Records Retention Requirements* section, which states, "Expenditure and Income Reports are subject to audit by DODD, ODJFS and CMS at their discretion. Records, documentation, and supplemental worksheets used to prepare the report must be kept on file for a period of seven years from the date of receipt of payment from all sources, or for six years following completion and adjudication of any state or federal initiated audit, whichever period of time is longer."

4. DODD requested us to report variances if the County Board's number of individuals served varied by more than 10 percent when compared to the prior year's final attendance statistics on *Schedule*

B-1, Section B, Attendance Statistics.

We compared the County Board's final 2008 number of individuals served to the final individuals served for Day Habilitation/Adult Day Services/Vocational Habilitation, Enclave and Community Employment for 2009 and the final 2009 individual served to the final individuals served for 2010 on *Schedule B-1, Section B, Attendance Statistics* and determined if the variances were over 10 percent.

The number of reported individuals served did not change by more than 10 percent from the prior year's Schedule B-1 for Facility Based Services, but did change by more than 10 percent for Enclave in 2010; however, see Procedure 3 for results of testing Enclave Statistics and adjustments.

Statistics – Transportation

1. DODD requested us to report variances if the Board's transportation units were not within two percent of total units reported on each line of *Schedule B-3, Quarterly Summary of Transportation Statistics*.

We compared the number of one-way trips from the County Board's 2009 and 2010 Detailed Transportation Units reports with those statistics as reported in *Schedule B-3, Quarterly Summary of Transportation Statistics* of the Cost Reports. We also footed the County Board's Detailed Transportation Units reports for accuracy.

We found no differences or computational errors.

2. DODD requested us to report variances of more than 10 percent of the total trips taken for five individuals for both 2009 and 2010, between the County Board's internal documentation versus the amount reported on *Schedule B-3, Quarterly Summary of Transportation Services*.

We traced the number of trips for five individuals for 2009 and five for 2010 from the County Board's daily reporting documentation to *Schedule B-3, Quarterly Summary of Transportation Services*.

We found no differences exceeding 10 percent.

3. DODD requested us to report variances if the County Board's cost of bus tokens/cabs was not within two percent of the total amount reported on *Schedule B-3, Quarterly Summary of Transportation Statistics*.

We did not perform this procedure as the County Board did not report the cost of bus tokens, cabs on *Schedule B-3* of the Cost report for 2009 and 2010. However, we did review the County Board's detailed expenditure report for any of these costs not identified by the County Board (see procedures and results in the Non-Payroll Expenditures and Reconciliation to the County Audit Report Section).

Statistics – Service and Support Administration (SSA)

1. DODD requested us to report variances if the Board's SSA units were not within two percent of total units reported on each line of *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*.

We compared the number of SSA units (Targeted Case Management (TCM), Other SSA Allowable, Home Choice, and SSA Unallowable) from the County Board's TCM Allowable/Unallowable Summary reports with those statistics reported in *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*. We also footed the County Board's TCM Allowable/Unallowable Summary reports for accuracy.

We found differences as reported in Appendix A (2009).

2. DODD requested us to report variances if Other SSA Allowable units tested had an error rate exceeding 10 percent and indicated a systemic issue.

We haphazardly selected a sample of 41 units in 2009 and 43 units in 2010 for Other SSA Allowable units from Putnam DD TCM Allowable/Unallowable Detail and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation required by Ohio Admin. Code § 5101:3-48-01(F). We also determined if the

units were provided to individuals that were not Medicaid eligible at the time of service delivery per Medicaid Information Technology System (MITS).

From the sample population of 3,309 Other SSA Allowable units for 2009, we selected our sample of 41 units and found 36.6 percent of those units were for individuals Medicaid eligible at the time of service delivery. We selected an additional 29 units and found 62.1 percent of those units were for individuals Medicaid eligible at the time of service delivery and we projected and then reclassified 1,560 units of the sample population as TCM units based on the average percentage error rate of 47.1 percent.

We reported the differences in Appendix A (2009).

From the sample population of 3,626 Other SSA Allowable units for 2010, we selected our sample of 43 units and found 72.1 percent of those units were for individuals Medicaid eligible at the time of service delivery. We selected an additional 30 units and found 60 percent of those units were for individuals Medicaid eligible at the time of service delivery and we projected and then reclassified 2,434 units of the sample population as TCM units based on the average percentage error rate of 67.1 percent.

We reported the differences in Appendix B (2010).

Recommendation: We recommend the County Board develop a process to determine Medicaid eligibility of individuals served and ensure that TCM services to Medicaid eligible recipients are appropriately classified as Line 1-TCM units on *Schedule B-4, Quarterly Summary of Units of Service - Service and Support Administration* as required by the Cost Report Guide. Section *Schedule B-4, Quarterly Summary of Units of Service - Service and Support Administration* of the Cost Report Guide states in pertinent part, "Units of Service, for purposes of this schedule, are to be separated into two categories as denoted below. The below activities generate units of service for statistical purposes. Allowable Units (Units generated by performing activities noted in Columns (A) and (C) below:

- TCM – Medicaid Eligible Individuals;
- Other SSA Allowable Units – Non-Medicaid Eligible Individuals; and
- Transition Coordination services provided under the Home Choice demonstration grant."

The County Board stated they do not have a process in place to determine ongoing Medicaid eligibility. Currently, the only way to determine Medicaid Eligibility is during the intake process, which occurs annually. During that time, individuals receiving services could fall off Medicaid while continuing to receive services; however, the County Board does not get reimbursed for those services the individual receives while not enrolled on Medicaid.

3. DODD requested us to report variances if the SSA Unallowable units tested had an error rate exceeding 10 percent and indicated a systemic issue.

We reviewed the 2009 and 2010 Putnam DD TCM Allowable/Unallowable Detail reports and noted that 2,523 units in 2009 and 3,565 units in 2010 were identified as non-billable general time units. We haphazardly selected 25 and 24 non-billable general time units for both 2009 and 2010 from the Putnam DD TCM Allowable/Unallowable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D) or described general support time activities that do not generate a unit as listed in Worksheet 9 of the Cost Report Guide. We also determined if the case note documentation met the requirements of Ohio Admin. Code § 5101:3-48-01(F).

We found that all units tested were general time units; therefore, we reclassified 2,523 and 3,565 general support time units in 2009 and 2010; respectively, in Appendix A (2009) and Appendix B (2010).

We selected the remaining 15 and 18 units for Unallowable SSA services for both 2009 and 2010 from the Putnam DD TCM Allowable/Unallowable Detail reports and determined if the case note documentation described activities listed in Ohio Admin. Code § 5101:3-48-01(D), and also included the documentation required by Ohio Admin. Code § 5101:3-48-01(F).

We found no units to be in error in either 2009 or 2010.

4. DODD requested us to report decreases exceeding five percent in total SSA units by line on *Schedule B-4* when compared to the prior year's final cost report.

We compared the final 2008 SSA units to the final 2009 SSA units and compared the final 2009 SSA units to the final 2010 SSA units.

The final units decreased by more than five percent from the prior year's *Schedule B-4* and we obtained the County Board's explanation that audited 2009 and 2010 Other Allowable units decreased based on the Medicaid eligibility issue and Other SSA Allowable units decreased due to the identification of general support time units (see Procedure 2 and 3 above).

Revenue Cost Reporting and Reconciliation to the County Auditor Report

1. We compared the receipt totals from the 12/31/2009 and 12/31/2010 County Auditor's Revenue History reports for the Brookhill Center School (22) and the Community MR/DD Residential Services (28) funds to the County Auditor's report totals reported on the *Reconciliation to County Auditor Worksheets*.

We noted the County Board did not include the County Auditor's yearly revenue report total on the *Reconciliation to County Auditor Worksheet* for 2009. We reported this difference in Appendix A (2009). We found no differences for 2010.

2. DODD asked us to determine whether total County Board receipts reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total receipts for this fund.

Total county board receipts were not within 1/4 percent of the county auditor yearly receipt totals reported for this fund for 2009 (see Procedure 1 above). Total county board receipts were within limits for 2010.

3. DODD asked that we compare the account description and amount for each revenue reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's State Account Code Detail Reports and other supporting documentation unless Procedure 2 above reconciled within the 1/4 percent threshold.

We did not perform this procedure since there were no revenue reconciling items reported on the *Reconciliation to County Auditor Worksheet* for 2009. We did not perform this procedure for 2010 since the total County Board receipts were within 1/4 percent of the County Auditor yearly receipt totals in Procedure 2 above.

4. DODD asked us to compare revenue entries on *Schedule C Income Report* to the Council of Government (COG) prepared County Board Summary Workbook.

We did not perform this procedure because the County Board did not participate in a COG in 2009 or 2010.

5. We reviewed the *Schedule C, Income Report* to determine whether revenues are maintained separately to offset corresponding expense via the use of specific expenditure costs centers and identified any potential revenue offsets/applicable credits.

We identified the following sources of potential revenue credits for which the County Board did not offset costs on the Cost Reports in accordance with 2 CFR 225, Appendix A (C)(3)(c) and (4)(a):

- Miscellaneous refunds, reimbursements and other income in the amount of \$177,691 in 2009 and \$333,394 in 2010; and
- Title XX revenues in the amount of \$16,032 in 2009 and \$24,035 in 2010.

Paid Claims Testing

1. We selected 50 paid claims among all service codes from 2009 and 2010 from the Medicaid Billing System (MBS) data and determined if the claims met the following service documentation requirements of Ohio Admin. Code Sections 5123:2-9-05, 5123-2-9-18(H)(1)-(2), and 5101:3-48-01(F):

- Date of service;
- Place of service;
- Name of the recipient;
- Name of the provider;
- Signature of the person delivering the service or initials of the person delivering the service if the signature and corresponding initials are on file with the provider;
- Type of service (for homemaker/personal care, type must include if routine, on-site/on-call, or level one emergency);
- Number of units of the delivered service or continuous amount of uninterrupted time during which the service was provided; and
- Arrival and departure times of the provider of service's site visit to the recipient's location or of the recipient's visit to the provider of service's location.¹

We found one instance of non-compliance with these documentation requirements for 2010. See Recoverable Finding below:

¹ For non-medical transportation (service codes) we reviewed similar service documentation requirements to ensure compliance with Ohio Admin. Code § 5123:2-9-18(H)(1)-(2) excluding (H)(1)(d),(f),(j) and (H)(2)(d),(f).

Recoverable Finding - 2010

Finding \$7.21

We determined the County Board was over reimbursed for 1 unit of TCM service in which there was insufficient documentation.

Service Code	Units	Review Results	FFP ¹ Amount	eFMAP ² Amount	Total Finding
TCM	1	No documentation	\$6.48	\$0.73	\$7.21
Total					\$7.21

1 Federal Financial Participation Amount (FFP)

2 Enhanced Federal Medical Assistance Percentage (eFMAP)

2. DODD requested us to report variances if units reimbursed by Medicaid were more than the units reported in the Cost Reports.

We compared the number of reimbursed TCM units from the MBS Summary by Service Code report, to the final units on *Schedule B-4, Quarterly Summary of Units of Service – Service and Support Administration*, Line (1)(F), TCM Units.

We found no instance where the Medicaid reimbursed units were greater than audited TCM units.

3. DODD requested us to report whether any reimbursements exceeded disbursements on *Schedule A, Summary of Service Costs- By Program* worksheet by two percent.

We compared the amounts reported on *Schedule A, Summary of Service Costs- By Program*, Lines (20) to Lines (25) for Community Residential to the amount reimbursed for these services in 2009 and 2010 on the MBS Summary by Service Code report.

We found no differences.

Non-Payroll Expenditures and Reconciliation to the County Auditor Report

1. We compared the disbursement totals from the 12/31/2009 and 12/31/2010 County auditor's report listed on the *Reconciliation to County Auditor Worksheets* to the County Auditor's Appropriation History Report balances for the Brookhill Center School (22) and Community MR/DD Residential Services (28) funds.

We found no differences.

2. DODD asked us to determine whether total County Board disbursements reported in the *Reconciliation to County Auditor Worksheets* reconciled within 1/4 percent of the county auditor's yearly report of total disbursements for these funds.

Total county board disbursements were within 1/4 percent of the county auditor yearly disbursement totals reported for these funds.

3. DODD asked that we compare the account description and amount for each reconciling item on the *Reconciliation to County Auditor Worksheet* to the County Board's State Expenses Detailed report and other supporting documentation unless Procedure 2 above reconciled within the 1/4 percent threshold.

We did not perform this procedure since Total County Board disbursements were within 1/4 percent of the County Auditor yearly disbursement totals in Procedure 2 above for 2009 and 2010.

4. DODD asked us to compare the County Board disbursements on the State Expenses Detailed reports to the amounts reported on Worksheets 2 through 10, and report variances exceeding \$100 for service contracts and other expenses on any Worksheet.

We compared all Service Contract and Other Expenses entries on Worksheets 2 through 10 to the County Board's State Expenses Detailed reports.

We found no differences exceeding \$100 on any worksheet.

5. DODD asked us to compare disbursement entries on *Schedule A, Summary of Service Costs - By Program* and Worksheets 2 through 10 to the Council of Government (COG) prepared County Board Summary Workbook.

We did not perform this procedure because the County Board did not participate in a COG in 2009 or 2010.

6. DODD asked us to determine whether total County Board disbursements on the State Expenses Detailed reports were properly classified, on Worksheets 2 through 10, within two percent of total service contracts and other expenses for each individual Worksheet and that no Worksheet included disbursements over \$100 which are non-federal reimbursable under 2 CFR 225 Appendix B.

We scanned the County Board's State Expenses Detailed reports for service contracts and other expenses in the following columns and worksheets: Column X-Gen Expense all Programs on Worksheets 2, 3 and 8; Column N-Service and Support Admin Costs on Worksheet 9; and Columns E-Facility Based Services, F-Enclave, and G-Community Employment and reviewed documentation to identify disbursements not classified as prescribed by the Cost Report Guides or costs which are non-federal reimbursable under 2 CFR 225 Appendix B.

We found differences for misclassified and non-federal reimbursable costs as reported in Appendix A (2009) and Appendix B (2010).

7. We scanned the County Board's State Expenses Detailed for items purchased during 2009 and 2010 that met the County Board's capitalization criteria and traced them to inclusion on the County Board's Depreciation Schedule.

We found no unrecorded purchases meeting the capitalization criteria.

8. We haphazardly selected 20 disbursements from 2009 and 2010 from the County Board's State Expenses Detailed report that were classified as service contract and other expenses on Worksheets 2-10. We determined if supporting documentation was maintained as required by 2 CFR 225 (OMB Circular A-87, Appendix A, (C)(1)(j)) and the disbursement was properly classified according to the Cost Report Guides.

We reported differences from these procedures in Appendix A (2009) and Appendix B (2010) for misclassified costs.

Property, Depreciation, and Asset Verification Testing

1. We compared the County Board's procedures regarding capitalization of fixed assets with the Cost Report Guides for preparing *Worksheet 1, Capital Costs* and 2 CFR 225 (OMB Circular A-87, Appendix B, 15(a)(2)).

We found no inconsistencies between the County Board's capitalization procedures and the guidelines listed above.

2. We compared the County Board's final 2008 Depreciation Schedule to the County Board's 2009 and 2010 Depreciation Schedules for changes in the depreciation amounts for assets purchased prior to the periods under review which were not in compliance with the Cost Report Guides.

We found differences in depreciation as reported in Appendix A (2009) and Appendix B (2010).

3. DODD asked us to compare the depreciation costs reported in the County Board's Depreciation schedule to the amounts reported on *Worksheet 1, Capital Costs*, and to report variances exceeding \$100.

We compared all depreciation entries reported on *Worksheet 1, Capital Costs* to the County Board's Depreciation Schedule.

We found differences as reported in Appendix A (2009) and Appendix B (2010).

4. We scanned the County Board's Depreciation Schedule for 2009 and 2010 for depreciation taken on the same asset more than once, assets that have been fully depreciated in prior years, or depreciation taken on assets during the period of acquisition which were not in compliance with the Cost Report Guides.

We found no differences.

5. We haphazardly selected two County Board's fixed assets which meet the County Board's capitalization policy and were purchased in 2009 or 2010 to determine if their useful life agreed to the estimated useful lives prescribed in the 2008 American Hospital Association (AHA) Asset Guide. We also recomputed the first year's depreciation for these assets, based on their cost, acquisition date and period of useful life to determine compliance with the Cost Report Guides and AHA Asset Guide.

We found no differences in 2009 or 2010. We found a difference that would affect the 2011 cost report and notified the County Board.

6. We selected one disposed asset from 2010 from the County Board's list of disposed assets and determined if the asset was removed from the County Board's fixed asset ledger. We also recalculated depreciation and any gain or loss applicable to 2010 for the disposed item based on its undepreciated basis and any proceeds received from the disposal of the asset to determine compliance with the Cost Report Guide and CMS Publication 15-1, Chapter 1.

We found a difference as reported in Appendix B (2010).

Payroll Testing

1. DODD asked us to determine whether total County Board salaries and benefits in the 2009 and 2010 cost reports were within two percent of the county auditor's report totals for the Brookhill Center School (22) fund.

We totaled salaries and benefits from Worksheets 2-10 from the 2009 and 2010 cost reports and compared the yearly totals to the county auditor's Appropriation History Reports. The variance was less than two percent.

2. DODD asked us to compare the County Board disbursements on the State Expenses Payroll Reports to the amounts reported on Worksheets 2 through 10, and to report variances exceeding \$100 for salaries or employee benefit expenses.

We compared all Salary and Employee Benefit entries on Worksheets 2 through 10 to the County Board's Putnam County DD State Expenses Payroll Only by SAC/Employee (Summary) Reports.

We found differences for 2009 as reported in Appendix A (2009). We found no differences in 2010.

3. We selected 15 employees and compared the County Board's organizational chart to the worksheet in which each employee's salary and benefit costs were allocated to ensure allocation is consistent with the Cost Report Guides.

We found no differences.

4. DODD asked us to scan the County Board's Putnam County DD State Expenses Payroll Only by SAC/Employee (Summary) Reports for 2009 and 2010 and compare classification of employees to entries on worksheets 2 through 10 to determine if salary and benefit costs were reported in accordance with the Cost Report Guides.

We found differences as reported in Appendix A (2009) and Appendix B (2010).

Medicaid Administrative Claiming (MAC)

1. DODD asked us to contact its Office of Audits to report differences if the MAC salary and benefits exceeded the County Board's payroll records by one percent or more.

We compared the salary and fringe benefits entered on the Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) reports to the County Board's Putnam County DD State Expenses Payroll Only by SAC/Employee (Summary) Report.

We found no variance exceeding one percent in 2010. We did not perform this procedure in 2009 because the County Board did not participate in the MAC program in 2009.

2. We compared the original Individual MAC Costs by Code and MAC Random Moment Time Summary (RMTS) Reports to Worksheet 6, columns (I) and (O) for 2010.

We reported differences in Appendix B (2010).

3. We compared Ancillary Costs on the Roll Up Report for the Ohio Department of Job and Family Services to Lines 6-10 of the *MAC Reconciliation Worksheet*.

We reported differences in Appendix B (2010).

4. We selected eight RMTS observed moments completed by employees of the County Board from the DODD RMTS Participant Moments Question and Answer report for the fourth quarter of 2010 in which they documented their time spent on administering Medicaid-funded programs. We determined if supporting documentation of the County Board employees' activity for each observed moment was maintained and the observed moment was properly classified in accordance with DODD's Guide to Medicaid Administrative Claiming (MAC) using the Random Moment Time Studies (RMTS) Methodology for 2010.

We found no differences.

The County Board's response is included above under the section Statistics – Attendance, Procedure 3 and Statistics – Service and Support Administration (SSA), Procedure 2 and attached. We did not audit the response and, accordingly, we express no opinion on it.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the County Board's Cost Reports. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the managements of the County Board, DODD, the Ohio Department of Job and Family Services, and the Centers for Medicare and Medicaid Services and is not intended to be, and should not be used by anyone other than these specified parties.

Sincerely,



Dave Yost
Auditor of State

October 4, 2012

cc: William Clifford, Superintendent, Putnam County Board of Developmental Disabilities
Mike Boaz, Business Manager, Putnam County Board of Developmental Disabilities
Gary Kohls, Board Chairperson, Putnam County Board of Developmental Disabilities

Appendix A
Putnam County Board of Developmental Disabilities
2009 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (A) MAC	35	(35)	-	
1. Building Services (B) Adult	3,990	(2,589)	1,401	
1. Building Services (C) Child	175	218	393	
11. 0-2 Age Children (C) Child	1,181	1,134	2,315	
13. 6-21 Age Children (C) Child	15	(15)	-	
20. Family Support Services (D) General	65	(65)	-	To correct square footage
21. Service And Support Admin (D) General	307	231	538	
22. Program Supervision (B) Adult	408	(408)	-	
23. Administration (D) General	522	(65)	457	
25. Non-Reimbursable (C) Child	2,019	(292)	1,727	
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based S	122	9	131	To correct individuals served
Schedule B-4				
1. TCM Units (A) 1st Quarter	1,882	2	1,884	To correct SSA units that were put under COG column
1. TCM Units (C) 3rd Quarter	2,138	6	2,144	To reclassify TCM units
1. TCM Units (D) 4th Quarter	1,854	731	2,585	To correct SSA units based on projection
		829	3,414	To correct SSA units based on projection
1. TCM Units (E) COG Activity	4	(2)	2	To correct SSA units that were put under COG column
		(2)	-	To remove unsupported units.
2. Other SSA Allowable Units (C) 3rd Quarter	1,215	(829)	386	To correct SSA units based on projection
2. Other SSA Allowable Units (D) 4th Quarter	731	(731)	-	To correct SSA units based on projection
3. Home Choice Units (C) 3rd Quarter	6	(6)	-	To reclassify TCM units
5. SSA Unallowable Units (A) 1st Quarter	731	(716)	15	To remove General Support time units
5. SSA Unallowable Units (B) 2nd Quarter	684	(684)	-	To remove General Support time units
5. SSA Unallowable Units (C) 3rd Quarter	629	(629)	-	To remove General Support time units
5. SSA Unallowable Units (D) 4th Quarter	494	(494)	-	To remove General Support time units
Worksheet 1				
6. Capital Leases (U) Transportation	\$ 39,202	\$ 3,733	\$ 42,935	To adjust depreciation
Worksheet 2				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 69,321	\$ 1,722	\$ 71,043	To reclassify benefit amounts
3. Service Contracts (X) Gen Expense All Prgm.	\$ 23,862	\$ (3,346)	\$ 20,516	To reclassify speech therapy services
4. Other Expenses (O) Non-Federal Reimbursable	\$ 42,704	\$ (42,220)	\$ 484	To reclassify as non-federal reimbursable item
		\$ 849	\$ 1,333	To reclassify as non-federal reimbursable item
4. Other Expenses (X) Gen Expense All Prgm.	\$ 70,028	\$ (10,964)	\$ 59,064	To reclassify as non-federal reimbursable item
		\$ (889)	\$ 58,175	To reclassify Waiver reconciling item
		\$ (253)	\$ 57,922	To reclassify as Adult Program expense
		\$ (4,044)	\$ 53,878	To reclassify Target Case Management reconciling item
		\$ (849)	\$ 53,029	To reclassify as non federal reimburseable item
		\$ (97)	\$ 52,932	To reclassify costs for respite services
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ -	\$ 42,220	\$ 42,220	To reclassify as non-federal reimbursable item
		\$ 10,964	\$ 53,184	To reclassify as non-federal reimbursable item
		\$ 7,242	\$ 60,426	To reclassify as non-federal reimbursable item
		\$ 8,875	\$ 69,301	To reclassify as non-federal reimbursable item
		\$ (9,750)	\$ 59,551	To adjust tax settlement fees
Worksheet 2A				
2. Employee Benefits (E) Facility Based Services	\$ 32,249	\$ 801	\$ 33,050	To reclassify benefit amounts
Worksheet 3				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 6,521	\$ 162	\$ 6,683	To reclassify benefit amounts
Worksheet 4				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 12,133	\$ 301	\$ 12,434	To reclassify benefit amounts
Worksheet 5				
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 24,856	\$ 24,856	To reclassify MUI investigator
2. Employee Benefits (A) Ages (0-2)	\$ 29,023	\$ 10,815	\$ 39,838	To reclassify benefit amounts
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 9,230	\$ 9,230	To reclassify MUI investigator
3. Service Contracts (L) Community Residential	\$ 27,562	\$ (11,490)	\$ 16,072	To adjust for employee benefits
		\$ (8,875)	\$ 7,197	To reclassify as non federal reimburseable item
4. Other Expenses (M) Family Support Services	\$ 6,251	\$ 97	\$ 6,348	To reclassify costs for respite services
Worksheet 7C				
3. Service Contracts (A) Ages 0-2	\$ -	\$ 20,868	\$ 20,868	To reclassify speech therapy services
Worksheet 7E				
3. Service Contracts (A) Ages 0-2	\$ 14,162	\$ (8,407)	\$ 5,755	To reclassify speech therapy services
Worksheet 7F				
3. Service Contracts (A) Ages 0-2	\$ 15,137	\$ (9,115)	\$ 6,022	To reclassify speech therapy services

Appendix A
Putnam County Board of Developmental Disabilities
2009 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 8				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 44,102	\$ 1,095	\$ 45,197	To reclassify benefit amounts
4. Other Expenses (X) Gen Expense All Prgm.	\$ 121,455	\$ (10,426)	\$ 111,029	To reclassify as capital asset
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 190,383	\$ (24,856)	\$ 165,527	To reclassify MUI investigator
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 68,983	\$ 1,713	\$ 70,696	To reclassify benefit amounts
		\$ (9,230)	\$ 61,466	To reclassify MUI investigator
4. Other Expenses (N) Service & Support Admin. Costs	\$ 12,511	\$ (7,242)	\$ 5,269	To reclassify as non-federal reimbuseable item
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 514,323	\$ (1,594)	\$ 512,729	To reclassify enclave expenses without progress notes to NFR
2. Employee Benefits (E) Facility Based Services	\$ 186,326	\$ 4,661	\$ 190,987	To reclassify benefit amounts
		\$ (592)	\$ 190,395	To reclassify enclave expenses without progress notes to NFR
4. Other Expenses (E) Facility Based Services	\$ 1,100	\$ 253	\$ 1,353	To reclassify as Adult Program expense
		\$ (4)	\$ 1,349	To reclassify enclave expenses without progress notes to NFR
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 2,190	\$ 2,190	To reclassify enclave expenses without progress notes to NFR
Reconciliation to County Auditor Worksheet Expense:				
Plus: Purchases Greater Than \$5,000	\$ -	\$ 10,426	\$ 10,426	To reclassify as capital asset
Plus: Match Paid To ODMRDD For IO & LVI Waivers	\$ -	\$ 889	\$ 889	To reclassify Waiver reconciling item
Plus: Match Paid To ODMRDD For TCM	\$ -	\$ 4,044	\$ 4,044	To reclassify Target Case Management reconciling item
Less: Capital Costs	\$ (128,767)	\$ (3,733)	\$ (132,500)	To adjust depreciation
Reconciliation to County Auditor Worksheet Revenue:				
Total From 12/31 County Auditor's Report	\$ -	\$ 2,520,737	\$ 2,520,737	To report the revenue from County Auditor on the Reconciliation

Appendix B
Putnam County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Schedule B-1, Section A				
1. Building Services (A) MAC	35	(35)	-	
1. Building Services (B) Adult	3,990	(2,589)	1,401	
1. Building Services (C) Child	210	183	393	
11. 0-2 Age Children (C) Child	1,181	1,168	2,349	
14. Facility Based Services (B) Adult	18,538	7,809	26,347	
17. Medicaid Administration (A) MAC	281	(239)	42	To correct square footage
20. Family Support Services (D) General	65	(65)	-	
21. Service And Support Admin (D) General	307	189	496	
22. Program Supervision (B) Adult	408	(408)	-	
23. Administration (D) General	522	(65)	457	
25. Non-Reimbursable (C) Child	2,019	(1,900)	119	
Schedule B-1, Section B				
1. Total Individuals Served By Program (A) Facility Based S	140	(5)	135	To correct individuals served
1. Total Individuals Served By Program (B) Supported Emp.	8	(8)	-	To remove enclave statistics - no supporting documentation
2. Days of Attendance (B) Supported Emp. -Enclave	54	(54)	-	To remove enclave statistics - no supporting documentation
3. Typical Hours Of Service (B) Supported Emp. -Enclave	4	(4)	-	To remove enclave statistics - no supporting documentation
Schedule B-4				
1. TCM Units (D) 4th Quarter	2,097	670		To correct TCM units based on projection
		1,076		To correct TCM units based on projection
		688	4,531	To correct TCM units based on projection
2. Other SSA Allowable Units (B) 2nd Quarter	1,151	(688)	463	To correct TCM units based on projection
2. Other SSA Allowable Units (C) 3rd Quarter	1,076	(1,076)	-	To correct TCM units based on projection
2. Other SSA Allowable Units (D) 4th Quarter	670	(670)	-	To correct TCM units based on projection
5. SSA Unallowable Units (A) 1st Quarter	701	(683)	18	To remove General Support Time units
5. SSA Unallowable Units (B) 2nd Quarter	922	(922)	-	To remove General Support Time units
5. SSA Unallowable Units (C) 3rd Quarter	1,211	(1,211)	-	To remove General Support Time units
5. SSA Unallowable Units (D) 4th Quarter	749	(749)	-	To remove General Support Time units
Worksheet 1				
2. Land Improvements (X) Gen Expense All Prgm.	\$ -	\$ 1,504	\$ 1,504	To adjust depreciation
3. Buildings/Improve (E) Facility Based Services	\$ -	\$ 19,115	\$ 19,115	To adjust depreciation
3. Buildings/Improve (H) Unasgn Adult Programs	\$ 2,720	\$ (1,120)		To reclassify as expense
		\$ (1,600)	\$ -	To reclassify as purchases greater than \$5,000
3. Buildings/Improve (X) Gen Expense All Prgm.	\$ 13,816	\$ (3,562)		To reclassify as expense
		\$ (10,254)		To reclassify as purchases greater than \$5,000
		\$ 29,473	\$ 29,473	To adjust depreciation
4. Fixtures (E) Facility Based Services	\$ -	\$ 749	\$ 749	To adjust depreciation
4. Fixtures (X) Gen Expense All Prgm.	\$ -	\$ 15,234	\$ 15,234	To adjust depreciation
5. Movable Equipment (U) Transportation	\$ -	\$ 19,759	\$ 19,759	To adjust depreciation
5. Movable Equipment (X) Gen Expenses All Prgm.	\$ -	\$ 2,898		To adjust depreciation
		\$ (400)	\$ 2,498	To report gain on disposal of asset
6. Capital Leases (U) Transportation	\$ -	\$ 41,552	\$ 41,552	To adjust depreciation
7. Other (E) Facility Based Services	\$ 13,539	\$ (13,539)	\$ -	To reclassify as purchases greater than \$5,000
7. Other (U) Transportation	\$ 8,549	\$ (8,110)		To reclassify as purchases greater than \$5,000
		\$ (439)	\$ -	To reclassify as transportation expense
7. Other (X) Gen Expense All Prgm.	\$ 15,616	\$ (3,002)		To reclassify as expense
		\$ (12,614)	\$ -	To reclassify as purchases greater than \$5,000
Worksheet 2				
1. Salaries (X) Gen Expense All Prgm.	\$ 125,563	\$ 18,910	\$ 144,473	To reclassify other expenses
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 52,226	\$ 7,013	\$ 59,239	To reclassify benefit amounts
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,135		To reclassify as non-federal reimburseable item
		\$ 24,413	\$ 25,548	To reclassify CAFS reimbursement
4. Other Expenses (X) Gen Expense All Prgm.	\$ 187,117	\$ (18,910)		To reclassify other expenses
		\$ (45,458)		To reclassify as purchases greater than \$5,000
		\$ (1,135)		To reclassify as non-federal reimburseable item
		\$ (4,529)		To reclassify expenditure to specific program
		\$ (75)		To reclassify expenditure to specific program
		\$ (1,257)		To reclassify expenditure to specific program
		\$ (32,235)	\$ 83,518	To reclassify as non-federal reimburseable item
10. Unallowable Fees (O) Non-Federal Reimbursable	\$ -	\$ 32,235		To reclassify as non-federal reimburseable item
		\$ 12,948	\$ 45,183	To reclassify as non-federal reimburseable item
Worksheet 2A				
2. Employee Benefits (E) Facility Based Services	\$ 43,631	\$ (620)	\$ 43,011	To reclassify benefit amounts.
4. Other Expenses (E) Facility Based Services	\$ -	\$ 75	\$ 75	To reclassify expenditure to specific program

Appendix B
Putnam County Board of Developmental Disabilities
2010 Income and Expenditure Report Adjustments

	Reported Amount	Correction	Corrected Amount	Explanation of Correction
Worksheet 3				
2. Employee Benefits (E) Facility Based Services	\$ 5,438	\$ (77)	\$ 5,361	To reclassify benefit amounts
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 11,240	\$ (159)	\$ 11,081	To reclassify benefit amounts
4. Other Expenses (X) Gen Expense All Prgm.	\$ 234,667	\$ 1,120		To reclassify as expense
		\$ 3,562		To reclassify as expense
		\$ 4,529		To reclassify expenditure to specific program
		\$ (11,361)		To reclassify Waiver reconciling item
		\$ 3,002	\$ 235,519	To reclassify as expense
Worksheet 4				
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 14,128	\$ (200)	\$ 13,928	To reclassify benefit amounts
Worksheet 5				
1. Salaries (O) Non-Federal Reimbursable	\$ -	\$ 16,849	\$ 16,849	To reclassify MUI investigator
2. Employee Benefits (A) Ages (0-2)	\$ 48,416	\$ (774)	\$ 47,642	To reclassify benefit amounts
2. Employee Benefits (M) Family Support Services	\$ 88	\$ (88)	\$ -	To reclassify benefit amounts
2. Employee Benefits (O) Non-Federal Reimbursable	\$ -	\$ 12,740	\$ 12,740	To reclassify MUI investigator
Worksheet 6				
1. Salaries (I) Medicaid Admin	\$ -	\$ 46,532	\$ 46,532	To report MAC salaries
1. Salaries (O) Non-Federal Reimbursable	\$ 24,413	\$ (24,413)	\$ -	To reclassify CAFS reimbursement
		\$ 28,622	\$ 28,622	To report MAC non-federal reimbursable salaries
Worksheet 7C				
3. Service Contracts (A) Ages 0-2	\$ -	\$ 18,146	\$ 18,146	To reclassify speech therapy services
Worksheet 7E				
3. Service Contracts (A) Ages 0-2	\$ 21,105	\$ (15,688)	\$ 5,417	To reclassify speech therapy services
Worksheet 7F				
3. Service Contracts (A) Ages 0-2	\$ 9,138	\$ (2,458)	\$ 6,680	To reclassify speech therapy services
Worksheet 8				
2. Employee Benefits (E) Facility Based Services	\$ 2,029	\$ (29)	\$ 2,000	To reclassify benefit amounts.
2. Employee Benefits (X) Gen Expense All Prgm.	\$ 45,741	\$ (650)	\$ 45,091	To reclassify benefit amounts.
4. Other Expenses (X) Gen Expense All Prgm.	\$ 139,104	\$ 439	\$ 139,543	To reclassify as transportation expense
Worksheet 9				
1. Salaries (N) Service & Support Admin. Costs	\$ 220,260	\$ (68,645)		To revise MAC costs
		\$ (16,849)	\$ 134,766	To reclassify MUI investigator
2. Employee Benefits (N) Service & Support Admin. Costs	\$ 91,615	\$ (1,301)		To reclassify benefit amounts.
		\$ (12,740)	\$ 77,574	To reclassify MUI investigator
4. Other Expenses (N) Service & Support Admin. Costs	\$ 66,450	\$ (12,948)		To reclassify as non federal reimburseable item
		\$ (28,249)		To reclassify Target Case Management reconciling item
		\$ (24,130)	\$ 1,123	To reclassify Waiver reconciling item
Worksheet 10				
1. Salaries (E) Facility Based Services	\$ 557,250	\$ (6,509)		To revise MAC costs
		\$ (1,377)	\$ 549,364	To reclassify enclave expenses without progress notes to NFR
2. Employee Benefits (E) Facility Based Services	\$ 231,781	\$ (3,290)		To reclassify benefit amounts.
		\$ (571)	\$ 227,920	To reclassify enclave expenses without progress notes to NFR
4. Other Expenses (E) Facility Based Services	\$ 387	\$ 1,257		To reclassify expenditure to specific program
		\$ (4)	\$ 1,640	To reclassify enclave expenses without progress notes to NFR
4. Other Expenses (O) Non-Federal Reimbursable	\$ -	\$ 1,952	\$ 1,952	To reclassify enclave expenses without progress notes to NFR
Reconciliation to County Auditor Worksheet Expense:				
Less: Capital Costs	\$ -	\$ (19,115)		To adjust depreciation
		\$ (749)		To adjust depreciation
		\$ (19,759)		To adjust depreciation
		\$ (41,552)		To adjust depreciation
		\$ (1,504)		To adjust depreciation
		\$ (29,473)		To adjust depreciation
		\$ (15,234)		To adjust depreciation
		\$ 400		To report gain on disposal of asset
		\$ (2,898)	\$ (129,884)	To adjust depreciation
Plus: Purchases Greater Than \$5,000	\$ -	\$ 8,110		To reclassify as purchases greater than \$5,000
		\$ 45,458		To reclassify as purchases greater than \$5,000
		\$ 1,600		To reclassify as reconciling item as Purchases greater than \$5,000.
		\$ 10,254		To reclassify as reconciling item as Purchases greater than \$5,000.
		\$ 13,539		To reclassify as reconciling item as Purchases greater than \$5,000.
		\$ 12,614	\$ 91,575	To reclassify as reconciling item as Purchases greater than \$5,000.
Plus: Match Paid To ODMRDD For IO & LVI Waivers	\$ -	\$ 24,130		To reclassify Waiver reconciling item
		\$ 11,361	\$ 35,491	To reclassify Waiver reconciling item
Plus: Match Paid To ODMRDD For TCM	\$ -	\$ 28,249	\$ 28,249	To reclassify Target Case Management reconciling item
Medicaid Administration Worksheet				
Lines 6 -10 Ancillary Costs	\$ -	\$ 2,327	\$ 2,327	To report an ancillary cost



Dave Yost • Auditor of State

PUTNAM COUNTY BOARD OF DEVELOPMENTAL DISABILITIES

PUTNAM COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 8, 2012**